



NOTICE TO NEW SBA BORROWERS

This notice informs recipients of SBA financing of the minimum actions required to show evidence that they are complying with the requirements of Parts 112, 113 and 117 of SBA Rules and Regulations. Actual compliance with nondiscriminatory regulations can be determined only after a review and examination of all facts, practices and records relating to the operation of the business. During the life of the loan, especially, if a complaint of discrimination is lodged against the business, a compliance review may be conducted. The records described below will be reviewed during such compliance review.

Generally, subsections 112.9, 113.5 and 117.9 of SBA's nondiscrimination regulations require all SBA recipients of financial assistance to keep records which would enable SBA to ascertain whether the recipient has complied or is complying with SBA's regulations for the length of the loan. Specifically, recipients are required to retain for two years all applications and employment records, current payroll records, and other records usually kept for the prudent conduct of business. Other records (e.g., admission forms, etc.) which show the extent to which members of minority groups are beneficiaries of the recipient's services, where applicable, should also be available for examination during the compliance review.

At the time of the initial compliance inquiry, SBA will require that minimum implementation of the employer's equal opportunity program specifically include the following actions.

NOTE: Where appropriate models of the required actions are provided, they may be used as written, or they may be amended to meet the needs of the particular borrowers, provided the essential aim of the model is not lost.

1. Preparation and dissemination to all employees and applicants for employment of a written statement outlining the employer's policy of extending equal opportunity to all persons without regard to race, color, religion, sex, marital status, age, handicap, or national origin in such matters as customer service, recruitment, promotions and advancements, training programs, wages and salaries, work schedules, transfers, layoffs, demotions, seniority rights, fringe benefits and utilization of restrooms, lunch rooms, drinking fountains, recreation and parking area. (See pages 3 and 40.)

2. Specific designation of responsible officials to coordinate and implement the equal employment opportunity program.
3. Development of procedures for the dissemination and feedback of equal opportunity information to supervisory personnel and their subordinates, i.e.
 - a. Forward to all supervisory personnel (initialed signature) written notice that employee meetings will be held during which management's equal opportunity policy and program will be discussed.
 - b. Request that each supervisor advise management of the date such meetings were held and how the equal opportunity subject matter was interpreted to all employees in attendance at such meetings.
4. Where applicable, notifications to unions in writing of your equal opportunity policy; seek incorporation of such policies in union agreements. (See page 5) Request written acknowledgement of receipt of your notice to the unions.
5. Posting of SBA posters in conspicuous places, visible to the public, employees and applicants for employment, indicating that your company is an equal opportunity firm.
6. Utilize "An Equal Opportunity Employer" in all help-wanted advertisements and job orders.

In addition to the minimum actions, SBA policy requires that all borrowers and subrecipients of SBA financing take necessary steps to assure the public, and employees or applicants for employment, and equal opportunity. With due regard for the size of your business, select the appropriate items from the enclosed checklist (page 7 and 8) which provides the varied components of a necessary action. The larger your business, particularly in terms of number of employees, the greater the opportunity to employ a wider range of checklist items. Continue to keep these measures alive by setting up appropriated follow-up procedures. Your program should be planned to achieve continual minority group, female, and qualified handicapped improvement and inclusion in apprentice and training programs, entry-level, white collar and supervisory occupations.

Should you have any further questions, desire additional information or assistance in connection with the development and implementation of your equal opportunity policies as required by our regulations, please contact the Area Civil Rights Director responsible for your geographic area through the office by which your loan was approved.

MODEL POLICY STATEMENT

TO: Department Managers
Supervisory Personnel
Employees
Applicants for Employment

SUBJECT: Equal Employment Opportunity

OBJECTIVE: To obtain qualified employees consistent with position requirements; to seek, employ, promote, and treat all employees and applicants for employment without discrimination as to race, color, religion, sex, age, marital status, handicap, or national origin.

It is the policy of the _____ Company/ Corporation to give equal opportunity to all qualified persons without regard to race, color, religion, sex marital status, age, handicap, or national origin.

All employment practices are to provide that all individuals be recruited, hired, assigned, advanced, compensated and retained on the basis of their qualifications, and treated equally in these and all other respects without regard to race, color, religion, age, sex, marital status, handicap, or national origin.

It shall be considered the responsibility of every supervisory employee to further the implementation of this policy and ensure conformance by their subordinates.

Supervisory personnel as well as those responsible for hiring new employees must take all necessary action in the elimination of possible discrimination towards employees and applicants for employment with _____ Company/ Corporation in all categories and levels of employment and employee relations.

Responsibility for seeing that this policy is continuously followed has been assigned to _____ The
(designated official)
designated official shall work with each department manager and plant supervisor in furthering its implementation and monitoring the progress being made.

Signature _____

MODEL POLICY STATEMENT

(For Schools, Nursing Homes, and other
similar service-oriented businesses)

TO: Department Managers
Supervisory Personnel
Employees, Applicants for Employment
Recipients of Services

SUBJECT: Equal Opportunity

OBJECTIVE: To obtain qualified employees consistent with position requirements, and to ensure that all employees, applicants and clients be treated without discrimination as to race, color, religion, sex, marital status, handicap, age, or national origin.

It is the policy of _____
to give equal employment opportunity to all qualified persons,
and to provide that all individuals be recruited, hired,
assigned, advanced, compensated and retained on the basis of
their qualifications, and treated equally in these and all other
respects without regard to race, color, religion, sex, marital
status, age, handicap, or national origin.

All selection procedures, admissions, assignments, or any
other facility shall be available to all qualified persons who
seek such services without respect to race, color, religion, sex,
marital status, handicap, age or national origin.

Supervisory personnel and other personnel responsible for
hiring and carrying out other selection policies must take all
necessary action in the elimination of possible discrimination
towards employees, applicants for employment, and clients of

Responsibility for seeing that this policy is continuously
followed has been assigned to _____. The
designated official shall work with each department manager and
other selecting official in furthering its implementation and
monitoring the progress being made.

Signature _____

MODEL REAFFIRMATION OF POLICY STATEMENT

TO: All _____ Company/Corporation
Employees

SUBJECT: Equal Employment Opportunity

Periodically it becomes desirable and necessary to restate the Company's/Corporation's policy on matters of significance to employees. One policy which it is timely to reemphasize is that of equal opportunity.

It is the policy of _____ to provide equality of opportunity for any employee or applicant for employment, irrespective of race, color, religion, sex, age, marital status or national origin. Equality of opportunity in employment shall also be extended to those qualified individuals with handicaps who apply for or are employed by this company. I am sure that you are all aware of this policy which has been given added emphasis by legislation enacted by the Federal Government to insure compliance with this principle throughout the country.

The (Company/Corporate) policy, which management is pledged to support, thus implements the enacted legislation to assure all employees of equal treatment. Through a positive expression of adherence to the principle of equal opportunity, we can ourselves achieve success for both the Company and its employees.

Responsibility for the implementation of this policy has been assigned to

(Typed Name)

(Signature)

MODEL LABOR ORGANIZATION CONTRACT CLAUSE

During the performance of this contract, both parties agree that they will not discriminate against any qualified applicant for employment, apprentice trainee, or employee because of race, color, religion, sex, marital status, age, handicap, or national origin. Both parties to this agreement will take all necessary action to insure that qualified applicants, apprentice trainees, and employees are employed and that they are treated during employment without regard to their race, color, religion, sex, age, marital status, handicap, or national origin. Such action shall include, but not be limited to the following: Employment, upgrading, demotion or training; recruitment or recruitment advertisement; and selection for training including apprenticeship. The employer agrees to post in conspicuous places, available to employees and applicants for employment, including applicants for apprentice training, notices setting forth the provisions of this nondiscrimination clause.*

Both parties to this agreement will select apprentices from among qualified applicants on the basis of qualifications alone and without regard to race, color, religion, age, sex, marital status, handicap, or national origin, or occupationally irrelevant physical requirements in accordance with objective standards which permit review, after full and fair opportunity for application; and this program shall be operated on a completely nondiscriminatory basis.

In order to insure full and continuous employment for all employees, and to establish equal opportunity in all phases of the work situation, both parties to this agreement will abide by the requirements of the equal employment opportunity affirmative action regulations of the city, state or Federal government agency which the employer is subject to with a city, a state, or a Federal government agency, and under which he/she had promised performance.

*The condition may be met by posting SBA Form 722, "Equal Opportunity Poster."

EQUAL OPPORTUNITY PROGRAM

CHECKLIST

1. Although work areas, cafeterias, washrooms and locker areas are not segregated, is there segregation which exists by tradition and practice? If so, what action is in order?
2. Do "black islands," "brown areas," female-only or individuals with handicap(s) only department/sections exist—that is minority, individuals with handicap(s), or female groups to one side of or grouped within the majority group of employees?
3. Do you maintain regular contacts with local groups concerned with racial problems?
4. Are you a member, or do you have a personal representative on local community biracial or women's committees?
5. When you advertise job openings, do you utilize minority group newspapers?
6. Are you utilizing the following suggested organizations as recruitment sources for obtaining qualified minority, female, and individuals with handicap(s) applicants: e.g.,
 - a. Urban League
 - b. NAACP
 - c. LULAC
 - d. IMAGE
 - e. Operation SER
 - f. NOW
 - g. Local minority group clergymen
 - h. United States or State Employment Service
 - i. State and Local racially oriented service organizations
 - j. Organizations concerned with the employment of individuals with handicap(s).
7. Are you recruiting applicants at high schools with predominantly minority group enrollments?
8. Are you scrutinizing the qualifications of minority, female, and qualified individuals with handicap(s) to insure that their talent is being utilized effectively?
9. Do you regularly remind your supervisors of their individual responsibilities in implementing the company's equal opportunity program?
10. Have you critically examined local employment procedures to insure unbiased consideration of majority, minority, female and qualified, individuals with handicaps.
11. Are your facilities assessible to and usable by individuals with handicaps?
12. Have you considered job tailoring in order to afford an otherwise qualified individual with a handicap an opportunity to work for your organization?

CHECKLIST (continued)

13. Are selection procedures for promotion devised to assure consideration of majority, minority, and female employees, and qualified individuals with handicap(s)?
14. Do on-the-job training programs include majority, minority and female employees, and qualified individuals with handicap(s)?
15. Does your facility cooperate with the support community vocational training programs?
16. Do you have a training program on the premises to improve the skills of majority, minority, and female employees, and qualified individuals with handicap(s).
17. Does your survey of employees with high potential include qualified individual(s) with handicaps, minority and female employees?
18. Do you have written evidence of your request for applicants from minority, and female organizations, and organizations designated for individuals with handicap(s)?
19. Do you maintain a record of your contacts with minority, and women's organizations, and organizations catering to the concerns of individuals with handicap(s)?
20. Does your "house organ" publicity covering business and social events of general interest, regularly include participants who are minority, female and individuals with handicap(s)?
21. Do you post announcements of new job openings, indicating the fact that such positions are available to all qualified personnel?
22. Do you have written job descriptions for different job classifications?
23. Does your pay scale apply equally to all new hires having like qualifications, regardless of race, color, religion, sex, marital status, age, handicap, or national origin?
24. Have all contractors and subcontractors been advised in writing of the company's equal opportunity policy?
25. Have all employees dealing with the public been advised of your policy to provide service without regard to race, color, religion, sex, marital status, handicap, age, or national origin?

PLEASE NOTE: The estimated burden for completing this form is 10 minutes per response. You will not be required to respond to this information collection if a valid OMB approval number is not displayed. If you have questions or comments concerning this estimate or other aspects of this information collection, please contact the US Small Business Administration, Chief, Administrative Information Branch, Washington D.C. 20416 and/or Office of Management and Budget, Clearance Officer, Paperwork Reduction Project (3245-0076), Washington, D.C. 20503